



U.S. Department of Justice

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PRESS RELEASE

GEDDES PLEADS GUILTY TO 56 COUNTS OF BANK, WIRE FRAUD; FACES 10 YEARS IN FEDERAL PRISON

SALT LAKE CITY – Jeffrey F. Geddes, age 39, of Park City, who has been working in Las Vegas, entered guilty pleas in federal court Monday to 56 counts of bank and wire fraud in connection with steps he took to get a credit line from Zions Bank by falsely representing that a company he owned was supplying stone tile to Home Depot.

The plea agreement includes a recommendation, subject to court approval, for a 10-year federal prison sentence. U.S. District Judge Tena Campbell will sentence Geddes Jan. 26, 2009, at 1:30 p.m. Geddes' plea includes 52 bank fraud counts and four counts of wire fraud. Geddes is not in custody but is required to wear a GPS ankle monitor.

According to a superseding indictment returned in July, Geddes initially opened an account at Zions for his company, Adagio Stone, LLC., as well as other related companies. In about August 2002, he obtained a line of credit from Zions based on certain collateral pledged by an individual,

identified as B.H., living in Washington. The credit line was to support working capital for Adagio Stone and related companies. Geddes requested that B.H. pledge additional collateral for subsequent increases in the line of credit. The initial line of credit provided by Zions was approximately \$675,000, according to the indictment. Subsequent increases in the credit line were made. The final increase in the line of credit to \$30 million occurred about January 2005.

The indictment alleged that in 2002, Geddes attempted to enter into a contract to sell import stone from India to Home Depot. He began negotiations toward the contract but was unable to complete the agreement. However, in order to maintain and eventually increase the line of credit with Zions and to obtain collateral pledged by B.H., Geddes needed to show them an ongoing business and accounts receivable. As a part of his plea agreement, Geddes admitted that he regularly provided Zions Bank with fraudulent invoices and purchase orders from Home Depot to create the false appearance of substantial accounts receivables for Adagio owed by Home Depot.

The indictment included a notice by the U.S. Attorney's Office to seek forfeiture of \$7.7 million from Geddes. However, a hearing to determine forfeiture and restitution issues has been set for Dec. 17, 2008, at 10 a.m. in Judge Campbell's court.

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